

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2389

ANSWERED ON:31.07.2017

Consumption and Production of Rubber

Sharma Shri Jugal Kishore

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether there has been an increase in the consumption of rubber especially due to rise in the demand of automobile sector recently;
- (b) if so, the details thereof including the extent to which demand is met by domestic production;
- (c) whether the Tyre Manufacturing Industry has requested the Government to curtail import duty on natural rubber;
- (d) if so, the reaction of the Government thereto; and
- (e) the efforts made by the Government to enhance the production of natural rubber and artificial rubber in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b). Consumption of Natural Rubber (NR) has increased from 994,415 tonne in 2015-16 to 1044,075 tonne in 2016-17 mainly due to rise in the demand of auto tyre sector. The details are as under:

Consumption of NR (Tonne)

	2015-16	2016-17 (Provisional)	Growth (%)
Auto Tyre Sector	663,495	707,335	6.6
Non-Tyre sector	330,920	336,740	1.8
Total	994,415	1044,075	5.0

Production of NR in the country in 2016-17 was 691,000 tonne (provisional) against the consumption of 1044075 tonne of NR in tyre and non-tyre sectors.

(c) & (d) There have been demands from Tyre Manufacturing Industry to rectify the duty structure as the Basic Customs Duty on Tyre is 10% as against that of Natural Rubber duty is 25% or Rs. 30/kg. whichever is lower. The matter was examined in the Department and in view of the prevailing situation of the rubber sector the proposal was not agreed to.

(e) In order to increase production of Natural Rubber in the country the Government through the Rubber Board is implementing the scheme "Sustainable and Inclusive Development of Natural Rubber Sector" wherein support is provided for plantation development and extension, strengthening research, technology upgradation and market development, Human resource development etc. So far as artificial/synthetic rubber is concerned, Chemical & Petrochemical Industry is delicensed and decontrolled and Government acts as facilitator in this sector.
